# LEGISLATIVE SERVICES AGENCY OFFICE OF FISCAL AND MANAGEMENT ANALYSIS

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## FISCAL IMPACT STATEMENT

**LS 7433 NOTE PREPARED:** Jan 3, 2005

BILL NUMBER: HB 1216 BILL AMENDED:

**SUBJECT:** Medical Care Reimbursement Rates for County Jails.

FIRST AUTHOR: Rep. Frizzell BILL STATUS: As Introduced

FIRST SPONSOR:

FUNDS AFFECTED: GENERAL IMPACT: Local

DEDICATED FEDERAL

**Summary of Legislation:** The bill provides that a county may reimburse a physician, hospital, or health care provider for the medical and pharmaceutical expenses of a person confined in a county jail at the rates set for Medicaid reimbursement.

Effective Date: July 1, 2005.

### **Explanation of State Expenditures:**

#### **Explanation of State Revenues:**

**Explanation of Local Expenditures:** There are no data available to indicate how each of the 91 county jails in Indiana currently reimburse physicians, hospitals, and health care providers for medical and pharmaceutical expenses for inmates. To the extent that Medicaid rates would be less than the current rate paid by the county jail and the county chooses to reimburse based on those rates, costs savings would occur.

The state Medicaid program reimbursement differs by provider group and service. To calculate the Medicaid rate for a particular service, the claim would have to be submitted to the Medicaid system.

## **Explanation of Local Revenues:**

## **State Agencies Affected:**

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**Local Agencies Affected:** County jails.

<u>Information Sources:</u> FSSA Medicaid 2003 Annual Report,

http://www.in.gov/fssa/healthcare/medicaid03.html.

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